

**Stakeholder Process: Assignment of Revenue Requirement of Startrans' Mead
Facilities**

Summary of Submitted Comments

Stakeholders submitted one round of written comments to the CAISO on the following date:

- Round One, 04/23/08

Stakeholder comments are posted at: <http://www.caiso.com/1fac/1facad7436580.html>

Other stakeholder efforts include:

- Conference Call 04/25/08
- Outreach from the Project Manager and Legal

Management Proposal	SDG&E	Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside (“Six Cities”)	Southern California Edison Company	Management Response
Assign Startrans to the East Central TAC Area	Support SDG&E supports the CAISO’s proposal to maintain the existing Mead transmission rights in the East Central TAC Area.	Support The Six Cities do not object to assignment of the Startrans rights to the East Central TAC Area.	Support SCE agrees with the bottom-line result of the CAISO’s discussion paper, to place Startrans in the East Central TAC Area.	Management appreciates stakeholders’ support for assigning Startrans to the East Central TAC Area.
Maintain status quo collecting the TRR for Startrans’ Mead transmission rights through the TAC in the same manner as when Vernon owned the facilities.	Partially Support SDG&E substantially supports the CAISO’s proposal to assign Startrans’ TRR to the East Central TAC Area.	Oppose The Six Cities propose that Startrans’ TRR should be recovered through the “grid-wide” component of the Access Charge.	No Comment	Management believes it is appropriate that the TRR of Startrans be collected through both TAC Area and “grid-wide” components. Startrans’ transmission rights should be treated as Existing High Voltage Facilities by definition since the purchase of Vernon’s Mead transmission rights by Startrans did not result in any new investment in or replacement to the Existing High Voltage Facilities as owned by Vernon.
ISO Tariff Appendix F, Schedule 3, Section 3.7 (“Section 3.7”) gives the CAISO authority to assign Startrans to the East Central TAC Area.	Support SDG&E substantially supports the CAISO’s proposal to assign Startrans to the East Central TAC Area as presented.	No Comment	Oppose SCE’s interpretation of Section 3.7 is that it applies to prospective PTOs that have Service Areas or facilities that are located outside the State of California. Therefore, SCE believes that a tariff amendment is required to add Startrans to the East Central TAC Area.	Management believes it is appropriate to apply Section 3.7 to Startrans since Section 3.7 is not limited only to those entities with PTO Service Territories located outside of the State of California. Since Section 3.7 is adequate, the CAISO does not believe a tariff amendment is necessary.
Make an adjustment to the manner of calculation of the Transition Charge to omit Startrans’ TRR from the calculation.	No Comment	No Comment	Partially Support SCE asserts that because Startrans is a Participating Transmission Owner without Gross Load, the Transition Charge should not apply to Startrans and Startrans’ TRR should not be	Management agrees with SCE that because Startrans has no load it is not appropriate to calculate a Transition Charge for Startrans or to incorporate Startrans’ TRR into the calculation of the Transition Charge. Management proposes

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			<p>incorporated into the calculation of the Transition Charge. SCE asserts that a revision to Section 5.7 of Schedule 3 of Appendix F of the ISO Tariff is necessary to implement this approach to calculation of the Transition Charge.</p>	<p>to adjust the calculation of the Transition Charge to omit Startrans' TRR from the calculation. However, Management considers this approach to be consistent with and authorized by the current provisions of the ISO Tariff and disagrees with SCE that a tariff amendment is necessary to implement this approach.</p>